

WASHINGTON, DC – Congressman Robert C. "Bobby" Scott (VA-03), a senior member of the House Education and the Workforce Committee, issued the following statement on his Yea vote on H.R. 1911, legislation to alter the interest rate charged on federal student loans. The interest rates for some federal student loans recently doubled from 3.4% to 6.8%.

"Today Congress passed a bill that will help students and families better afford college as students begin to return to campuses across the nation. This legislation, which will tie interest rates on federal loans to the 10-year Treasury Note, will save current students and their families thousands of dollars in lower interest payments over the next several years compared to current law.

"The compromise passed by Congress today will allow current students to take advantage of historically low interest rates but may, unfortunately, burden future college students and their families with much higher interest rates. Under this compromise, student loans will retain a rate fixed at the time the loan is originated for the life of the loan. The interest rate on these loans will be tied to the 10-year Treasury Note at the time of origination. Today that's not a bad deal, but the interest rate in five years for new loans could possibly grow higher than even the 6.8% interest rate that students faced without passage of this legislation. As a result, Congress must revisit the issue in the coming years.

"As a member of the House Education and the Workforce Committee, I am committed to ensuring that students are not completely overburdened with debt upon graduation. I am hopeful that Congress will work to continue to make higher education more affordable and ensure that student loan interest rates are reasonable."

# # #